

Kossuth County, - W. A. (Sheriff)

CEO 910
SECTOR 1

This award was appealed to
District Court. The appeal was
later withdrawn. See Case No.
LACV024478 (Kossuth County
v. PERB).

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EMPLOYMENT
SPECIAL

IN THE MATTER OF

ARBITRATION

BETWEEN

THE COMMUNICATIONS WORKERS OF AMERICA

AND

THE KOSSUTH COUNTY

CEO # 910/Sector 1(7172) (Sheriff)

Hearing Date: June 26, 2002

Principal Advocate for the Union:

Ken Rains, Representative, Region 7
COMMUNICATION WORKERS OF AMERICA AFL-CIO
6200 Aurora Ave. Ste. 503E
Urbandale IA 50322

Principal Advocate for the County:

Renee Von Bokern
VON BOKERN AND ASSOCIATES
2771-104th St. Ste. H
Des Moines IA 50322

INTRODUCTION

A hearing on this matter of interest arbitration was scheduled by agreement of the parties per Chapter 20 of the Code of Iowa. The hearing commenced at approximately 9:30 a.m. on June 26, 2001. The parties were given a full opportunity to present evidence and testimony on behalf of their positions. The hearing was tape-recorded, and the parties completed their testimony and presentation of evidence at approximately 12:00 p.m. The parties were well-prepared and made concise presentations. Their preparation was thorough and their presentations were professional, standards that this Arbitrator has come to appreciate regarding Iowa public sector collective bargaining advocacy.

IMPASSE ISSUES

The issues at impasse are **wages** and **health insurance**. The parties mutually agreed to present both issues as a single position. By mutual agreement of the parties the Arbitrator's Award is to be postmarked on July 16, 2002. As a matter of efficiency the detailed positions of the parties will be summarized from their submission of evidence.

BACKGROUND

The Kossuth County Sheriff's Department is located in north central Iowa. It is a large county, double in size to other counties in the state. The bargaining unit is comprised of approximately 17 employees who are in the classifications of Deputy Sheriff and Jailer. The Sheriff's Department has recently gone through some turmoil regarding the former Sheriff. The nature and details of the problems were not addressed during the hearing and do not affect the deliberation of this Arbitrator. The Sheriff's Department has built a new jail that holds approximately 42 prisoners; this is ten times the number of inmates the old jail used to house. According to the Acting Sheriff, it is a state of the art facility and promises to be a revenue producer for the County after some construction problems are addressed. The impact of having a state of the art jail is the need for more Jailers who are well trained.

During the bargaining which led to the current impasse, the parties engaged in good faith bargaining and met and resolved all but two issues: wages and insurance. The detailed position of each party can be found in each of the parties' submission of evidence. The submission of evidence by each party is frequently referenced in the Award; however, for the sake of economy it will not be attached. However, each position along with the evidence and testimony of the parties will be forwarded to PERB.

SUMMARY OF THE UNION'S POSITION

The Union is seeking a 26.9% increase for the Jailers and a 3.5% increase for the Deputies. It contends that Jailers, who have more than doubled in number because of the new jail, are well behind the market place in wages. The Union is proposing to increase the Jailer's wage from its current \$9.06 per hour to a rate of \$11.50 per hour. The Union argues this substantial increase represents a "market adjustment" that brings Kossuth County Jailers in line with jailers in other departments, which have larger jails (See Ux 5). It argues that the average rate for Jailers in the top ten counties is \$12.37 per hour (Ux 5). Four of the comparable counties (O'Brien, Webster, Hardin, and Cerro Gordo) are within one or two counties of Kossuth County. The other five comparables are a considerable distance from Kossuth County; however, sizes of all the comparable jails supplied by the Union are reasonably related in size to the Kossuth County's jail. The Union also points out that the Jail Transition Manual emphasizes the need to employ competent staff who cannot be expected to be recruited at "*salaries lower than their road patrol counterparts*" (Ux 4).

The Union also supplied to the Arbitrator comparable data of Deputy wages for the surrounding 24 counties. On the basis of average salary, the Union argues it demonstrates that Deputy Sheriffs in Kossuth County make on the average \$5,000 less than their counterparts in those 24 counties. With respect to health insurance the Union is proposing current language. The Union argues that all employees, including exempt management employees, do not have to pay for their health care or prescription coverage.

Based upon the above, the Union urges the Arbitrator to award its position.

EMPLOYER'S POSITION

The Employer acknowledges that the bargaining unit employees in the Jailer classification are underpaid in relationship to their counter-parts in other large county jail facilities. It is proposing that the current rate of \$9.07 be increased to 9.75% per hour. This is a 7.5% increase, which the Employer states is movement toward equity and is affordable at this time. The Employer is proposing a 3% increase for the Deputy classification in the bargaining unit. It contends that 3% is competitive in the current economic environment. The Employer argues that Iowa is suffering from difficult economic times that make it more difficult for employers in the state to provide competitive wage increases.

The County is proposing that the current health care premium remain fully paid. However, it contends that dramatic increases in prescription drugs have caused it to propose (for the first time) that employees pick up some of the costs of prescription drugs. To date, employees have had a fully-paid prescription benefit. The Employer is proposing co-pays of \$5 and \$10. The Employer argues that it is common for employees to contribute toward their health care coverage (Ex 13). The Employer contends that the fully paid health care plan in place in the County is one of a dying breed. It contends that this benefit, coupled with wages, places the bargaining unit in at least 4th place and arguably in 2nd place among comparable contiguous counties (Ex 16A).

Based upon the above, the Board urges the Arbitrator to award its position.

DISCUSSION

The law requires an interest Arbitrator to analyze the facts before him in accordance with established criteria as provided for in Iowa law in Section 20.22 (9). The following analysis will be conducted and an award will be issued in accordance with this criteria.

Past Collective Bargaining Agreements

The parties appear to have an amicable bargaining relationship, but the Sheriff's Department and the Union are going through several transitions. For the first time, the majority of employees in the bargaining unit are now Jailers and not Deputies. The Jail is no longer a small four (4)-prisoner operation. The County has committed itself to operating a much larger state of the art county correctional facility. Along with such a change there is an accompanying demand for staff to perform more complex work that involves regular training. The County jail already is housing prisoners from other counties and charging for this service. It is now a business, and the administrative complexities that accompany such a move require employees to perform at a higher level. There are now "customers" with prisoners to be housed who will demand a higher level of service. Therefore, past bargaining has little relationship to the newly configured bargaining unit and the additional training and level of performance that is required of Jailers.

Comparisons Of Wages, Hours And Working Conditions Of Public Employees

The Union's comparables, although scattered around the state, are relevant because they compare counties that have similar size correctional facilities. It is unreasonable to compare counties who are operating small facilities, similar to what Kossuth County used to operate. The document the Sheriff's Department uses as a guide to operating its jail facility (Jail Transition Manual) states:

"In order to run an institution where successful operation is dependent upon the effectiveness of staff rather than technological devices, the staff must be competent. A community which places little value on this factor would be best advised not to consider a podular/direct supervision facility" (p. 8, Principle III).

The Jailers are currently paid some \$3.00 (or 26%) less per hour than the average of Jailers who work in similar size facilities in the state. Five of the ten county correctional facilities, which pay much higher wages, are smaller than the Kossuth County's facility. This 26% deficit in pay for Jailers is contrary to the jail guidelines used by the Sheriff. They recommend wages competitive with Deputies (currently at \$15.86 hr.). Even with the 7.5% raise proposed by the Employer, the Jailers in Kossuth County would still be making only 78% of the average for Jailers in comparable facilities. The Union's proposal (\$11.50 per hr.) would place Jailers at 93% of what other comparable Jailers are making. This raise would place the pay of Jailers closer to that of Deputies and would represent substantial progress toward what the Employer's Jail Transition Manual recommends to attract and retain quality employees (Ux 8).

The arguments made by the Employer regarding health care coverage are well taken. The employees in the bargaining unit enjoy a fully paid benefit that is becoming increasingly rare. The Employer made it clear during the hearing that it intends to address

the issue of reducing its provision of fully paid health insurance in the next round of bargaining. Therefore, any inclusion of healthcare in the wage-benefit paradigm, although perfectly valid, may be only a temporary advantage enjoyed by the bargaining unit. If the Employer does what it states it intends to do, fully paid health care will be challenged by the Employer within the next year. Therefore, the value of this fully paid benefit as a substitute for providing more competitive wages appears to be at risk in the future.

The Interests and Welfare of the Public

The County made a commitment to establish modern, revenue producing correctional facility. Neither party disagreed that the new jail will not be a money-making facility, once some minor construction disputes are resolved. However, it will only make money if it is run efficiently and effectively. In order for this to occur, the staff must be competent and stable. Turnover of employees must be kept to a minimum in order to avoid excessive retraining costs and to provide consistency of operation.

The Power Of The Public Employer To Levy Taxes And Appropriate Funds

The parties are only .5% apart on what they are proposing for a wage increase for Deputies. The average wage increase for the Employer's comparables is 3.3%. The parties are \$1.75 apart on the pay for the ten (10) Jailers. On the basis of a 2080-hour year, that is approximately a \$36,400 dollar difference in the positions of the two parties. Although the Union's proposal represents a considerable one-time equity adjustment, there was no indication that it would cause the Employer to have to levy further taxes. A

more competitive wage is likely to reduce costs and quality problems that are often associated with high turnover caused by substandard wages. Furthermore, the income potential from the new jail is just starting to be realized according to the Acting Sheriff. At fifty dollars (\$50) a day, which the Acting Sheriff stated is low by comparison to other correctional facilities, twenty-one (21) prisoners ($\frac{1}{2}$ the Jail's capacity) can generate \$31,500 per month in income for Kossuth County. The cost of employing ten (10) Jailers for a month (using a standard monthly average of 173 hours) at \$11.50 per hour (and including a 35% roll-up cost for benefits) is approximately \$26,858.

Although what the Employer is offering is a substantial increase (7.5%) it will be mitigated by general increases of employees who man comparable county correctional facilities. The County has made a significant investment in its correctional facility and in the Sheriff's Department. However, the facility will only be as good as the people who run it. I find the comparable data provided by the Union support a 3.5% wage increase and an accompanying 23.4% wage inequity adjustment (total 26.9%) for the Jailers. This closes the gap considerably between the salaries of Jailers in Kossuth County and their counterparts in similar sized county correctional facilities. In addition, the 3.5% increase proposed by the Union is closer to the 3.3% average increase among comparable counties (used by the Employer) than is the 3.0% increase being proposed by the Employer.

The bargaining unit is not in a position to take on additional prescription drug increases when no other organized or non-bargaining unit employees including management employees are setting an example in the County by having insurance co-pays. Internal comparables are particularly persuasive in these matters, and it is common

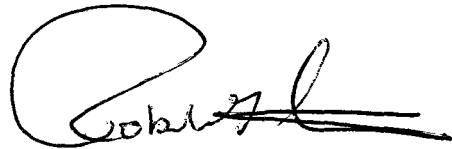
for an Employer to take the lead when asking employees to make a major shift from a fully paid benefit to one that is partially paid.

Arguably, the Jailers will be receiving a competitive wage following this Award. If health care continues to be a major concern that the Employer proposes to address in the next round of bargaining, the bargaining unit will be in a much better financial position to responsibly address any legitimate and justifiable concerns expressed by the County regarding the need for employees to contribute to their health coverage.

AWARD

Based upon the above, the undersigned Arbitrator recommends the Union's position.

Dated this 16th day of July, 2002.

A handwritten signature in black ink, appearing to read "Robert G. Stein", written over a horizontal line.

Robert G. Stein, Arbitrator

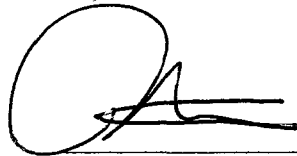
CERTIFICATE OF SERVICE

I certify that on the 16th day of July, 2002, I served the foregoing Award of Arbitrator upon each of the parties to this matter by U. S. Mail (Priority) mailing a copy to them at their respective addresses as shown below:

Ken Rains, Representative, Region 7
COMMUNICATION WORKERS OF AMERICA AFL-CIO
6200 Aurora Ave. Ste. 503E
Urbandale IA 50322

Renee Von Bokern
VON BOKERN AND ASSOCIATES
2771-104th St. Ste. H
Des Moines IA 50322

I further certify that on the 16th day of July, 2002, I will submit this Award for filing by U. S. Mail (Priority) mailing it to the Iowa Public Employment Relations Board, 514 East Locust, Suite 202, Des Moines, IA 50309.



Robert G. Stein, Arbitrator

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